

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of the Commission's Rules)	
To Ensure Compatibility with)	
Enhanced 911 Emergency Calling Systems)	CC Docket No. 94-102
)	

Chief, Wireless Telecommunications Bureau

SUPPLEMENT TO PETITION OF CENTURYTEL WIRELESS, INC.
FOR LIMITED WAIVER

CenturyTel Wireless, Inc., and its affiliated commercial mobile radio service ("CMRS") carriers (collectively "CenturyTel"), hereby respectfully supplement their request for a limited waiver of the Phase II E911 rules¹ to provide data requested by the Commission's Waiver Public Notice² and to respond to informal information requests from Wireless Telecommunications Bureau ("Bureau") staff. Specifically, CenturyTel provides additional information concerning the financial and technical burdens of compliance with the Commission's Phase II E911 rules and its network configuration. This filing also serves as the first quarterly update concerning CenturyTel's program toward Phase II E911 compliance.

¹ Petition of CenturyTel Wireless, Inc. for a Limited Waiver filed in CC Docket No. 94-102 on September 25, 2001 ("Waiver"). A list of CenturyTel's carrier subsidiaries and partnerships is attached as Exhibit A to its Waiver.

² *Public Notice*, Wireless Telecommunications Bureau Provides Guidance on Filings by Small and Mid-Sized Carriers Seeking Relief from Wireless E911 Phase II Automatic Location Identification Rules, DA 01-2459, October 19, 2001 ("Waiver Public Notice").

I. FINANCIAL AND TECHNICAL CHALLENGES

During an *ex parte* meeting with Bureau staff, CenturyTel discussed the challenges faced by rural carriers with respect to Phase II E911 implementation. As CenturyTel emphasized in its Waiver, the cost of Phase II E911 implementation places a substantial financial burden on rural carriers. In this filing, CenturyTel updates cost information provided in its Waiver. CenturyTel now estimates the cost of Phase II E911 compliance to be approximately \$40.6 million under a network-based solution.³ Given that CenturyTel has approximately 794,000 subscribers,⁴ the costs of implementation would be approximately \$51.13 per subscriber, a staggering amount for a company the size of CenturyTel. The cost of necessary network upgrades, combined with the relatively low density of customers in rural areas, imposes extremely high per customer costs for network-based solutions in rural areas. Given that CenturyTel competes with the very largest nationwide wireless carriers in a number of rural markets, and that these large carriers have the ability to spread their costs over much greater subscriber bases, CenturyTel is concerned about its ability to remain competitive with these carriers, particularly in CenturyTel's rural markets.⁵

³ This cost estimate is for CenturyTel's implementation of Grayson Wireless' location solution. This estimate assumes, as CenturyTel has been informed by Grayson Wireless, that CenturyTel will not need to construct additional base stations in any of its CMRS systems solely to ensure E911 Phase II compliance. Installation of new base stations typically costs around \$500,000, and CenturyTel's costs would increase accordingly if they were to be required. Waiver at 8-9. This estimate now includes the cost of Nortel switch upgrades required to make CenturyTel's network Phase II-capable. The cost of these upgrades were omitted from the figures provided in CenturyTel's Waiver.

⁴ CenturyTel acknowledges that this subscriber figure is different than the subscriber figure provided in its Waiver filing. Waiver at 9. CenturyTel unfortunately noted an incorrect subscriber figure in its Waiver -- the appropriate subscriber figure is 794,000.

⁵ If CenturyTel is forced to increase the price of its service to recoup the costs of Phase II E911 compliance, CenturyTel risks losing customers to larger, nationwide carriers who can spread their costs of compliance over a larger subscriber base. As of June 2001, CenturyTel's churn rate was a modest 2.64%, but that stands to increase if CenturyTel is forced to increase the price of its service disproportionately as compared to larger, nationwide carriers.

As described in its Waiver, there are limited options available to TDMA carriers with respect to Phase II E911 compliance.⁶ CenturyTel does not have immediate plans to migrate from its TDMA-based network to next-generation technology. Thus, in order to implement Phase II E911 service in the near-term, CenturyTel is limited to those Phase II E911 solutions available for TDMA-based networks. Moreover, CenturyTel estimates that an upgrade to next-generation technology would cost approximately \$650 million.⁷ This cost eclipses the \$40.6 million cost of Phase II E911 implementation, affirming CenturyTel's need to pursue TDMA-based network solutions to render its network Phase II-capable.

CenturyTel is also concerned that rural carriers, such as CenturyTel, are bearing a disproportionate share of the burdens for implementation of E911 Phase II service. The Commission itself has recognized that rural carriers face much steeper hurdles for deployment of network-based solutions in comparison to carriers in urban markets.⁸ Information on the costs of Phase II E911 implementation to nationwide carriers on a per-subscriber basis is not readily available, however, to quantify this disparity.

In addition to the financial burden of compliance, CenturyTel requires critical upgrades from its switch vendor which present technology-related hurdles outside of CenturyTel's control that further frustrate the company's Phase II compliance efforts. In its Waiver, CenturyTel stated that in order for it to evaluate and implement a network-based solution, it required critical

⁶ Waiver at 5. CenturyTel is foreclosed from availing itself of a handset-based solution to meet its Phase II E911 obligations, even though the Commission has acknowledged that it is better-suited for rural areas than other alternatives, because such technology does not exist. *Id.*

⁷ CenturyTel cautions that this figure is just an estimate and that the actual cost of such an upgrade may vary.

⁸ See Waiver at 6-10.

software upgrades to its switches.⁹ In addition, CenturyTel's Waiver noted that several of its switches still required a hardware upgrade to ready the switches for the software upgrade – presently five switches are awaiting such a hardware upgrade. Nortel, CenturyTel's switch vendor, is the only source of these critical upgrades. The hardware upgrades have not yet occurred but are scheduled for early 2002. The software upgrades have also not yet been implemented but are slated for early 2002.

To mitigate these technical and financial burdens of compliance, CenturyTel's Waiver proposed a graduated implementation schedule for meeting future PSAP requests for Phase II E911 service.¹⁰ CenturyTel confirms that it still has not yet received any valid PSAP requests for Phase II E911 service.

CenturyTel also reiterates that its ability to adhere to the implementation schedule proposed in its Waiver is dependent on its switch vendor, Nortel. As described in its Waiver, CenturyTel must obtain software and hardware upgrades from Nortel in order to make its network Phase II-capable.¹¹ CenturyTel has timely requested those upgrades, but their exact receipt, installation and testing dates are subject to the control of CenturyTel's switch vendor, Nortel. CenturyTel notes that it is possible for delays to occur during the installation and testing of the software and hardware upgrades. To the extent CenturyTel experiences any delays that may affect its ability to meet its proposed implementation schedule, it will promptly notify the Commission.

⁹ *Id.* at 6.

¹⁰ *Id.* at 10-11.

¹¹ *Id.* at 6-7.

CenturyTel also observes that there are a limited number of vendors to supply Phase II E911 solutions and it recognizes that they may become backlogged as numerous carriers seek to implement this service. CenturyTel will obviously be dependent on the availability of its Phase II E911 vendor to satisfy its implementation schedule. If such a backlog develops and adversely impacts CenturyTel's proposed implementation schedule, it will promptly notify the Commission.

II. NETWORK INFORMATION

Also during CenturyTel's *ex parte* meeting with Bureau staff, staff inquired about certain characteristics of CenturyTel's network. As stated in its Waiver, CenturyTel serves primarily rural areas over a TDMA-based network.¹² As of June 2001, CenturyTel's network consisted of over 800 cell sites. Of these sites, approximately half are equipped to provide digital service.

CenturyTel has satisfied PSAP requests for Phase I E911 service. In response to PSAP requests, CenturyTel has successfully deployed Phase I E911 service in two (2) Michigan counties and throughout its service area in Texas. CenturyTel has recently received numerous PSAP requests for Phase I E911 service, and it is in the process of implementing such service in Louisiana, Mississippi, and in additional counties in Michigan.

III. CONCLUSION

CenturyTel's request to provide Phase II E911 location information pursuant to a graduated implementation schedule strikes an appropriate balance of public interest objectives by providing PSAPs more accurate location information than that available under the Phase I E911 rules, without disproportionately burdening rural carriers or subscribers. It provides a path to full compliance, as required by the Commission, and periodic updates to ensure that CenturyTel

¹² *Id.* at 2.

remains on schedule. Thus, CenturyTel's Waiver satisfies the Commission's waiver standard and CenturyTel respectfully submits that its request should be granted.

Respectfully submitted,

CENTURYTEL WIRELESS, INC.

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